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### MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON APRIL 27, 2010

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 1:36 p.m. Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

### **PRESENT**

Commission: Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner Greg R. White, Commissioner

Staff: Margaret Rost

Judy Palnau Mary Jo Kunkle Lisa Felice

Public: Suzy Denison, MEGA

Al Ernst, Dykema Gossett

Ron Bloomberg, Miller Canfield

Robin Gleason, AT&T

Lisa Gustafson, Consumers Energy Saudia Santure, Consumers Energy Kwafo Adarkwa, ITC Holdings Marie Wayman, DTE Energy Marilyn Oliver, DTE Energy B. K. Roberts, Consumers Energy

Jim Padgett, DTE Energy

**I.** Commissioner Martinez moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The agenda was approved.

**II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of April 13, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays - None

The minutes were approved.

#### III. ORDERS

#### A. COMMUNICATIONS

1. U-16024 CLEAR RATE COMMUNICATIONS, INC., AND VERIZON NORTH INC. AND CONTEL OF THE SOUTH, INC., d/b/a VERIZON NORTH SYSTEMS

U-16256 OSIRUS COMMUNICATIONS, INC., AND VERIZON NORTH INC. AND CONTEL OF THE SOUTH, INC., d/b/a VERIZON NORTH SYSTEMS

(interconnection agreements and amendments)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which requests Commission approval of interconnection agreements and amendments. The order before you approves the requests, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

2. U-16082 LUCRE, INC., v VERIZON NORTH INC., AND CONTEL OF THE SOUTH, INC., d/b/a, VERIZON NORTH SYSTEMS

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves a complaint filed by Lucre, Inc. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

3. U-16162 B&S TELECOM, INC. v AT&T MICHIGAN (case docketed)

Commissioner Martinez moved that the Commission adopt and issue minute dated April 27, 2010 setting aside the prior *prima facie* determination issued January 29, 2010 and the follow up letter dated March 23, 2010, and directing the Commission's Executive Secretary to treat the First Amended Complaint filed on January 15,

2010 by B&S Telecom, Inc., against AT&T Michigan as docketed as of today. Because the First Amended Complaint alleges an emergency and because the complainant's proof of service alleges hand-delivery of a copy of the complaint on the respondent, AT&T Michigan, on January 15, 2010, the Commission directs AT&T Michigan to file its answer to emergency allegations pleaded in the First Amended Complaint within 5 business days of the issuance of this minute action. Thereafter, this matter shall be processed in accordance with the requirements set forth in MCL 484.2203, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The minute was adopted.

## 4. U-16171 UPPER PENINSULA TELEPHONE COMPANY AND MICHIGAN CENTRAL BROADBAND COMPANY (total service long run incremental cost studies)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which concerns total service long run incremental cost studies filed by Upper Peninsula Telephone Company and the Michigan Central Broadband Company. The order before you approves those cost studies as filed, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### 5. U-16195 LIFECONNEX TELECOM, LLC (permanent license)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which is an application for a license to provide basic local exchange service. The order before you grants the license, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### 6. U-16237 JOSE HERNANSAIZ v AT&T MICHIGAN

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the complaint of Jose Hernansaiz against AT&T Michigan. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### 7. U-16251 COMMISSION'S OWN MOTION (proposed telecom rules)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the promulgation of rules to maintain and enforce quality of service standards for the provision of basic local exchange service to end users. The order before you schedules a public hearing to provide an opportunity for public comment on the proposed rules, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 8. U-16258 MICHIGAN EXCHANGE CARRIERS ASSOCIATION (lifeline rate increase)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application filed by the Michigan Exchange Carriers Association for approval of its 2009 Lifeline report and for authority to increase the Lifeline surcharge. The order approves the report filed by the Michigan Exchange Carriers Association and authorizes an increase in the Lifeline surcharge from its current level of \$0.07 per contributing residential and business customer per month to \$0.10 per contributing residential and business customer per month, subject to the provision that the increase in the Lifeline surcharge does not apply to primary basic local exchange service customers, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays - None

The order was adopted.

#### PRESS RELEASE ISSUED

#### B. ELECTRIC

1. U-14811 COMMISSION'S OWN MOTION

(electric rules)

U-14812 COMMISSION'S OWN MOTION

(gas rules)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involve the promulgation of rules through the adoption by reference of the Federal Energy Regulatory Commission's rules of accounts for major and nonmajor electric and gas utilities. The order before you approves the revised rules for submission to the Legislative Service Bureau and the State Office of Administrative Hearings and Rules for their formal approvals, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

2. U-15611 CONSUMERS ENERGY COMPANY (Big Rock refund)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Consumers Energy Company for reconciliation of costs and revenues associated with decommissioning of the Big Rock Point Nuclear Power Plant. The order before you authorizes the company to refund the amount of the overrecovered decommissioning revenues determined in the February 8, 2010 order in this proceeding through use of a 7-month negative surcharge in the amount of \$0.004267 per kilowatt-hour applied to its retail electric customers' bills beginning with the utility's July 2010 billing month, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays - None

The order was adopted.

#### PRESS RELEASE ISSUED

### 3. U-15806 THE DETROIT EDISON COMPANY (renewable energy credit contract)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by The Detroit Edison Company for approval of a renewable energy credit contract pursuant to the requirements of Public Act 295 of 2008. The order before you approves the renewable energy credit contract, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 4. U-15900 COMMISSION'S OWN MOTION (renewable energy and energy optimization plans administrative rules)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the promulgation of Commission rules governing renewable energy plans and energy optimization plans. The order before you approves the schedule for a public hearing and the receipt of written comments on the proposed rules, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### PRESS RELEASE ISSUED

### 5. U-16013 CONSUMERS ENERGY COMPANY (dispatchable customer-owned generation plan)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the plan filed by Consumers Energy Company for using dispatchable customerowned distributed generation. The order before you directs

Consumers Energy Company to collaborate with the Commission Staff on an informal basis to provide additional technical data and information within 120 days from the date of this order, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### 6. U-16014 THE DETROIT EDISON COMPANY

(dispatchable customer-owned generation plan)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the plan filed by The Detroit Edison Company for using dispatchable customer-owned distributed generation. The order before you directs The Detroit Edison Company to collaborate with the Commission Staff on an informal basis to provide additional technical data and information within 120 days from the date of this order, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

# 7. U-16035 WISCONSIN ENERGY CORPORATION, EDISON SAULT ELECTRIC COMPANY AND CLOVERLAND ELECTRIC COOPERATIVE (application)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Wisconsin Energy Corporation, Edison Sault Electric Company, and Cloverland Electric Cooperative for approval of Wisconsin Energy Corporation's sale and Cloverland Electric Cooperative's purchase of 100% of Wisconsin Energy Corporation's equity interest in Edison Sault Electric Company. The order before you approves a settlement agreement resolving all issues in the case, Commissioner

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

White seconded.

### PRESS RELEASE ISSUED

### 8. U-16046 INDIANA MICHIGAN POWER COMPANY ('10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Indiana Michigan Power Company for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### PRESS RELEASE ISSUED

### 9. U-16159 INDIANA MICHIGAN POWER COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Indiana Michigan Power Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, and outdoor security lighting based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

## 10. U-16167 GEARYENERGY, LLC (alternative electric supplier license) U-16264 GEARYENERGY, LLC (Act 295)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application filed by GearyEnergy, LLC, for a license as an alternative electric supplier.

Case No. U-16264 is a docket opened by the Commission for the alternative electric supplier to comply with Act 295. The order before you grants the requested license and requires compliance with Act 295, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 11. U-16203 CONSUMERS ENERGY COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Consumers Energy Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, area lighting, and traffic signal services based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 12. U-16209 THE DETROIT EDISON COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by The Detroit Edison Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, area lighting, and traffic signal services based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 13. U-16210 ALPENA POWER COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Alpena Power Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, area lighting, and traffic signal services based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 14. U-16212 EDISON SAULT ELECTRIC COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Edison Sault Electric Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting and area lighting based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 15. U-16214 NORTHERN STATES POWER COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Northern States Power Company, a Wisconsin corporation and wholly owned subsidiary of Xcel Energy, Inc., for *ex parte* approval of new and revised tariffs governing the provision of unmetered

street lighting, area lighting, and traffic signal services based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### PRESS RELEASE ISSUED

### 16. U-16215 UPPER PENINSULA POWER COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Upper Peninsula Power Company for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 17. U-16216 WISCONSIN PUBLIC SERVICE CORPORATION (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Wisconsin Public Service Corporation for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, area lighting, and traffic signal services based on emerging lightemitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### PRESS RELEASE ISSUED

### 18. U-16217 WISCONSIN ELECTRIC POWER COMPANY (LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves an application by Wisconsin Electric Power Company for *ex parte* approval of a new tariff governing the provision of unmetered street lighting based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### PRESS RELEASE ISSUED

19.	U-16218	CLOVERLAND ELECTRIC COOPERATIVE
	U-16219	GREAT LAKES ENERGY COOPERATIVE
	U-16220	MIDWEST ENERGY COOPERATIVE
	U-16221	THE ONTONAGON COUNTY RURAL ELECTRIFICATION
		ASSOCIATION
	U-16222	PRESQUE ISLE ELECTRIC & GAS CO-OP
	U-16223	THUMB ELECTRIC COOPERATIVE OF MICHIGAN
	U-16224	HOMEWORKS TRI-COUNTY ELECTRIC COOPERATIVE
		(LED technology lighting)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves applications for *ex parte* approval of revised tariffs governing the provision of unmetered street lighting, area lighting, and traffic signal services based on emerging light-emitting diode technologies. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Navs – None

The order was adopted.

### PRESS RELEASE ISSUED

### C. GAS

### 1. U-16204 STAN MOEGGENBORG v MICHIGAN CONSOLIDATED GAS COMPANY & THE DETROIT EDISON COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the complaint of Stan Moeggenborg against Michigan Consolidated Gas Company and The Detroit Edison Company. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

### 2. U-16205 BISHOP ENERGY SERVICES, LLC (AGS license)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which is an application by Bishop Energy Services, LLC, for a license as an alternative gas supplier. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White Nays – None

The order was adopted.

#### PRESS RELEASE ISSUED

### 3. U-16230 COMMISSION'S OWN MOTION (Antrim Shale vacuum cases)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 for Case Nos. U-16074, U-16075, and U-16076 which are applications for waivers to allow certain natural gas producers to operate gas wells under vacuum. Case No. U-16190 is a related request for a declaratory ruling. The order before you stays the proceedings in Case Nos. U-16074, U-16075, and U-16076, opens a new docket to consider the appropriate regulatory response to proposals by various producers of natural gas from Antrim Shale Formation to operate their wells under a vacuum, and closes the docket in Case No. U-16190, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays - None

The order was adopted.

4. U-16295 COMMISSION'S OWN MOTION (gas safety rulemaking)

Commissioner Martinez moved that the Commission adopt and issue order dated April 27, 2010 which involves the revision of Commission rules governing gas pipeline safety. The order before you approves the schedule for a public hearing and the receipt of written comments on the proposed rules, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays - None

The order was adopted.

### PRESS RELEASE ISSUED

### IV. PUBLIC COMMENTS

There were no public comments.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on May 17, 2010.

Commissioner Martinez moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas - Isiogu, Martinez, White

Nays – None

The motion was approved.

The meeting adjourned at 1:59 p.m.

Mary Jo Kunkle Executive Secretary